ASSISTANT SECRETARY OF DEFENSE
6000 DEFENSE PENTAGON
WASHINGTON, DC 20301-6000

COMMAND, CONTROL,
COMMUNICATIONS, AND
INTELLIGENCE

April 15, 2002

Ms. Laura L. S. Kimberly
Acting Director
Information Security Oversight Office
National Archives and Records Administration
Room 5W
700 Pennsylvania Avenue, NW
Washington, DC 20408

Dear Ms. Kimberly:

As requested by your letter of February 11, 2002, enclosed are the cost estimates for security classification activities for the Department of Defense. Estimated costs for FY 2001 and 2002 are slightly higher than the data provided to ISOO last year. The Institute for Defense Analyses that collected the data explained the higher estimates as the result of more refined methodology for estimating information technology resources.

Sincerely,

John P. Stenbit

Enclosure:
As stated

2003 Security Costs Estimates Display

Department of Defense

Reporting Categories	FY01 (Est. in $000s)	FY02 (Est. in $000s)	FY03 (Est. in $000s)
1. Personnel Security	758,331	654,782	612,371
2. Physical Security	169,017	170,354	170,958
3. Information Security			
Classification Management	175,442	176,329	177,403
Declassification	192,480	175,779	156,421
Information Technology Systems (Electronic Security)	2,486,215	2,488,763	2,475,983
4. Professional Education, Training, And Awareness	98,340	96,908	95,611
5. Security Management, Oversight, and Planning	513,533	510,879	511,247
6. Unique Items			
Totals: Fiscal Year Estimates	4,393,358	4,273,794	4,199,994
Totals: Full-Time Equivalents (FTE)	42,460	42,060	41,704

NARRATIVE:

General - Due to DoD's inability to accurately filter out costs associated with the protection of unclassified information (especially in the area of Information Assurance), the estimates in this report include costs associated with the protection of unclassified information.

Methodology - In the Defense Budget there are approximately 40 specific security program elements. These do not constitute the majority of Defense security costs, which instead are imbedded as partials in over than 500 other separate program elements in the Future Years Defense Program (FYDP). As a result, DoD security cost estimates are made outside the Defense budgeting and programming framework.

Defense uses contractor support to estimate security costs. The estimates in this report are based on an analysis of inputs from a variety of sources, including Defense Manpower Data Center (DMDC) data bases, the President's Budget, interviews with security managers, physical security data captured in the Defense Combating Terrorism Program, and data calls for specific data not available elsewhere. Most of the security costs identified in this estimate are personnel related costs.

In FY 01, DoD increased spending in the area of personnel security by $240 million above the amount for the previous year, to $340 million above historically normal levels prior to FY 99, in an effort to reduce the persistent backlog and delays in conducting personnel security investigations for security clearances. As these supplemental funds had not been anticipated in the budget projections available for last year's A-11 submission, this increment appears as an abrupt change in the level of funding for personnel security in the current submission."

Last Year's Report
2002 Security Costs Estimates Display

Department of Defense

Reporting Categories	FY00 (Est. in $000s)	FY01 (Est. in $000s)	FY02 (Est. in $000s)
1. Personnel Security	339,765	326,450	279,598
2. Physical Security	229,005	230,974	231,888
3. Information Security			
Classification Management	161,906	162,486	163,130
Declassification	200,316	192,480	175,779
Information Technology Systems (Electronic Security)	2,533,369	2,595,274	2,597,148
4. Professional Education, Training, And Awareness	106,919	104,064	102,057
5. Security Management, Oversight, and Planning	411,690	446,367	472,682
6. Unique Items			
Totals: Fiscal Year Estimates	3,982,970	4,058,095	4,022,282
Totals: Full-Time Equivalents (FTE)	44,017	43,991	43,547

ASSISTANT SECRETARY OF DEFENSE
6000 DEFENSE PENTAGON
WASHINGTON, DC 20301-6000

APR 11

Mr. J. William Leonard
Director
Information Security Oversight Office
National Archives and Records Administration
700 Pennsylvania Avenue NW
Room 5W
Washington, DC 20408

Dear Mr. Leonard:

As requested by your letter of February 7, 2003, enclosed are the cost estimates for

security classification activities for the Department of Defense. Estimated costs for FY

2002 and 2003 are higher than the data provided to ISOO last year. The Institute for

Defense Analyses that collected the data explained the higher estimates as the result of

more refined methodology for estimating information technology resources.

Sincerely,

John P. Stenbit

Enclosure
As stated

APR 2 3 2003

Security Cost Estimates for Fiscal Years 2002, 2003, and 2004

Department of Defense

Reporting Categories	Estimates in $M		
	FY02	**FY03**	**FY04**
1. Personnel Security	771	768	713
2. Physical Security	314	319	328
3. Information Security			
Classification Management	185	191	196
Declassification	10	10	10
Information Technology	3,079	3,176	3,271
4. Professional Education	127	129	132
5. Security Management	712	695	708
Totals: Fiscal Year Estimates	5,198	~~5,287~~ *5288*	~~5,359~~ *5358*
Totals: Full-Time Equivalents (FTE)	55,841	54,878	54,625

NARRATIVE:

General – Due to DoD's inability to accurately filter out costs associated with the protection of unclassified information, the estimates in this report include costs associated with the protection of unclassified information.

Methodology - In the Defense Budget there are approximately 40 specific security program elements. These do not constitute the majority of Defense security costs, which are imbedded as partials in over 500 other separate program elements in the Future Years Defense Program (FYDP). As a result, some of DoD security cost estimates are made outside the Defense budgeting and programming framework.

Defense uses contractor support to estimate security costs. The estimates in this report are based on an analysis of inputs from a variety of sources, including Defense Manpower Data Center (DMDC) data bases, the President's Budget, interviews with security managers, physical security data captured in the Defense Combating Terrorism Program, and data calls for specific data not available elsewhere. Most of the security costs identified in this estimate are personnel related costs.

OFFICE OF THE UNDER SECRETARY OF DEFENSE
5000 DEFENSE PENTAGON
WASHINGTON, DC 20301-5000

APR 0 9 2004

Mr. J. William Leonard
Director
Information Security Oversight Office
National Archives and Records Administration
700 Pennsylvania Avenue NW
Washington, DC 20408

Dear Mr. Leonard,

As requested by your 2 February 2004 letter, enclosed are the cost estimates for security classification activities for the Department of Defense. Estimated costs for FY 2003 and 2004 are higher than the data provided to ISOO last year. The Institute for Defense Analyses, responsible for the collection of the data, explained the higher estimates as the result of changes to line items in the defense budget, and some changes in the civilian work force.

Sincerely,

Carol A. Haave
Deputy Under Secretary of Defense
(Counterintelligence and Security)

Enclosure(s)
As stated

APR 1 4

BY: _____

2005 SECURITY COSTS ESTIMATES DISPLAY

Department of Defense

	FY 2003 ($M, Current Year)	FY 2004 ($M, Current Year)	FY 2005 ($M, Current Year)
1. Personnel Security	780	815	846
2. Physical Security	467	484	504
3. Information Security (sum of a,b,c below)	3,756	3,684	3,774
a. Classification Management	213	221	227
b. Declassification	14	15	15
c. Information Systems Security	3,529	3,448	3,532
d. Miscellaneous (OPSEC & TSCM)	5	8	9
4. Professional Education, Training and Awareness	144	147	152
5. Security Management, Oversight and Planning	808	871	918
6. Unique Items			
Totals: Fiscal Year Estimates	5,960	6,009	6,203

	FY 2003 (Work Years)	FY 2004 (Work Years)	FY 2005 (Work Years)
1. Personnel Security	7,134	5,057	5,021
2. Physical Security	8,787	8,760	8,744
3. Information Security (sum of a,b,c below)	34,724	33,897	33,830
a. Classification Management	3,308	3,296	3,291
b. Declassification	211	212	212
c. Information Systems Security	31,205	30,389	30,327
d. Miscellaneous (OPSEC & TSCM)	19	25	30
4. Professional Education, Training and Awareness	1,892	1,911	1,898
5. Security Management, Oversight and Planning	3,096	3,013	3,006
6. Unique Items			
Totals: Full-Time Equivalents	55,652	52,663	52,529

NARRATIVE

Overall the security resources reported above are around 10 to 12 percent higher than the corresponding numbers from last years report. Most of the differences can be accounted for by changes to line items in the defense budget, but some are the results of changes in the civilian work force. The numbers of key civilian security specialty, 080, increased by around 350 (of a total of around 4,500) between the end of FY 02 and the end of FY03, and the size of this increase was not anticipated in the previous report. Specific reasons for the difference vary by security function.

For Personnel Security, an anticipated decrease in programmed funding for the Defense Security Service did not occur to the extent programmed in PB 03, and the new budget shows new funding for Air Force personnel security during FY 04 and FY 05 only.

Funding for Physical Security was affected by a change in the composition of the work force supporting information protection. The estimates were drawn from DoD personnel records with unit locations at places such as headquarters facilities and intelligence centers. The numbers of civilians (mostly 083 or 085) increased by nearly 970 between FY 02 and FY 03, while the numbers of military decreased by 230 over the same time period.

Funding for Information Security is dominated by that of Information Systems Security. The totals here reflect the entire investment in this area, some of which protects unclassified networks and some of which protects classified networks. We cannot currently distinguish between these uses for the resources, but all of it protects DoD information. Also, if the unclassified networks were not protected by these investments, the classification structure would almost certainly change accordingly. Two partly off-setting trends cause the current report to differ from last year. First, a study over the summer of FY 03 to refine the time spent by systems administrators and related positions on information system security led to a decrease in the estimated resources of around 12 percent in both funding and work years. However, the current budget increased spending in information systems security, in the order of 800 work years and $400 million above the previous budget.

The previous Security Management estimates were dominated by research and development (primarily in information systems security) and by industrial security. The current budget shows an increase in funding for this information systems security research and development by around $100 million, and an increase in funding for industrial security by around $12 million. Also, new budget lines for the Headquarters facility at Defense Security Service added another $40 million.

The estimate for Professional Education was affected by the sharp and unanticipated increase in the number of DoD 080 security professionals, many of whom are counted under the criteria presented in the A11 instructions.

INTELLIGENCE

APR 1 1 2005

Mr. J. William Leonard
Director
Information Security Oversight Office
National Archives and Records Administration
700 Pennsylvania Avenue NW
Washington, DC 20408

Dear Mr. Leonard,

     As requested by your letter of February 11, 2005, enclosed are the cost estimates for security classification activities for the Department of Defense.

     Sincerely,

     Robert W. Rogalski
     Director of Security

Enclosure
As stated

2006 SECURITY COSTS ESTIMATES DISPLAY

Department of Defense

ISOO A11- FY 2006

Reporting Categories	Current Year Dollars		
	FY 2004	FY 2005	FY 2006
1. Personnel Security	793,000,000	999,000,000	947,000,000
2. Physical Security	468,000,000	474,000,000	490,000,000
3. Information Security			
a. Classification Management	234,000,000	231,000,000	239,000,000
b. Declassification	17,000,000	18,000,000	18,000,000
c. Information System Security	3,761,000,000	3,740,000,000	3,884,000,000
d. Miscellaneous	2,000,000	3,000,000	5,000,000
e. Subtotal	4,014,000,000	3,992,000,000	4,146,000,000
4. Professional Education	153,000,000	155,000,000	161,000,000
5. Security Management	1,061,000,000	1,117,000,000	1,051,000,000
6. Unique Items			
Totals (items1,2,3e,4,5,6)	6,489,000,000	6,738,000,000	6,795,000,000

Narrative

The estimate for security costs associated with protection of classified information for this budget year (FY 2006 budget) is generally consistent with but slightly above the corresponding estimates made for the previous year's budget. Overall the current estimate for all reported resources is approximately $6.7 million for FY 2005, whereas the estimate for that same period made last year was approximately $6.2 Million. The areas of difference are of interest because they reflect a combination of two factors: increased demands experienced by DoD to cover its security needs and improved understanding of the cost factors attributable here primarily to changes in the program element definitions in the budget and changes in the personnel system to better identify key security personnel such as security guards and systems administrators.

entry in the previous ISOO submission. Several factors can be identified as driving the increased estimate. In the current budget (PB 2005), there are substantial increases in costs for Industrial Security, during the years FY 2004-FY 2006. Also there are increased counts of SCIF civilian personnel in the CTA-9190 category. The largest increase in this estimate, however, comes from increases in R&D for Information System Security. Several new personnel specialty codes (1550's- Computer Science/ scientists) are R&D-oriented, and a number of newly identified program 6 program elements support this type of R&D. The R&D associated with Information System Security is reported under security management, as called for in the instructions and as was used for the previous year's estimates.

The security costs associated with personnel security increased by roughly $150 million for the same FY 2005 period, when last year's report is compared to this. The primary difference is a newly established Air Force program element, 0305191F, "Personnel Security Investigations Program". Generally similar costs are assumed for the expenses now passed on to OPM through a defense working capital fund.

Physical Security costs actually declined by roughly $30 million, when compared to the FY 2005 estimate in last year's display. Most of this is through slightly declining counts of physical security specialists in the DoD personnel database. Small decreases in program elements associated with physical security were also noted.

The Information System Security increased above the previous estimates by around $200 million. Numerous new personnel specialty codes have been associated with various aspects of information system security, and the numbers of specialists with some previously defined codes increased over the year end FY 2003 to FY 2004 time period. Also some newly identified program elements are thought to support information assurance.

The relatively small entry for "Miscellaneous" includes only resources associated with Operations Security. DoD does have resources associated with TSCM, but including these resources on a display of this type would make the display classified. Thus, these resources were counted in the "Information System Security" row.

Security management also increased by $200 million, compared to the FY 2005 entry in the previous ISOO submission. Several factors can be identified as driving the increased estimate. In the current budget (PB 2005), there are substantial increases in costs for Industrial Security, during the years FY 2004-FY 2006. Also there are increased counts of SCIF civilian personnel in the CTA-9190 category. The largest increase in this estimate, however, comes from increases in R&D for Information System Security. Several new personnel specialty codes (1550's- Computer Science/ scientists) are R&D-oriented, and a number of newly identified program 6 program elements support this type of R&D. The R&D associated with Information System Security is reported under security management, as called for in the instructions and as was used for the previous year's estimates.

MAY 1 1 2006

Mr. J. William Leonard
Director
Information Security Oversight Office
National Archives and Records Administration
700 Pennsylvania Avenue NW
Washington, DC 20408

Dear Mr. Leonard,

As requested by your letter of February 17, 2006, enclosed are the cost estimates for security classification activities for the Department of Defense.

Sincerely,

Christina W. Bromwell
Acting Director of Security

Enclosure
As stated

2006 SECURITY COSTS ESTIMATES DISPLAY

Department of Defense

Reporting Categories	Current Year Dollars		
	FY 2005	FY 2006	FY 2007
1. Personnel Security	880,000,000	944,000,000	996,000,000
2. Physical Security	698,000,000	715,000,000	731,000,000
3. Information Security			
a. Classification Management	228,000,000	237,000,000	242,000,000
b. Declassification	17,000,000	19,000,000	20,000,000
c. Information System Security	3,416,000,000	3,583,000,000	3,729,000,000
d. Miscellaneous	3,000,000	5,000,000	6,000,000
e. Subtotal	3,664,000,000	3,844,000,000	3,997,000,000
4. Professional Education	185,000,000	190,000,000	195,000,000
5. Security Management	1,083,000,000	1,174,000,000	1,274,000,000
6. Unique Items	0	0	0
Totals (items 1,2,3e,4,5,6)	6,510,000,000	6,867,000,000	7,193,000,000

employ additional personnel in system administration, closely related to information system security, and also trends to identify these personnel more clearly within the personnel database. We also note that the differences in this area between the current A-11 display and last year's display are of the same order as the differences expected from year to year.

In the instructions for this year, the A-11 report clearly calls for estimates of what is needed to protect classified information, as opposed to unclassified information. The estimates provided constitute that, but also reflect the total expenditure for DoD on information system security. Differences are very hard to break out for DoD. Much of the R&D and information system security programmatic effort applies equally to classified and unclassified information. Part of the costs might be broken out on the basis of numbers of seats or accounts and the relative costs per account. One rough estimate such a breakdown would assign 35% to SIPRNET and 5 % to JWICS—both classified networks-- and the remainder to the unclassified NIPRNET. However, increasing incidents of computer intrusion into the NIPRNET suggest that it is vital to protect the integrity of the DoD NIPRNET in order to assure the availability of information on the classified networks under the threat of disruption or denial of service actions on the classified networks. Thus, the entire DoD investment in information system security is reflected in the above A-11 cost estimate.

Mr. J. William Leonard, Director
Information Security Oversight Office
National Archives and Records Administration
700 Pennsylvania Avenue, NW
Washington DC 20408

Dear Mr. Leonard,

    As required by Executive Order 12958, Classified National Security Information, enclosed are the cost estimates for security classification activities for the Department of Defense, Fiscal Year 2006.

Sincerely,   23 Apr 07

Robert Andrews
Deputy Under Secretary of Defense
(Counterintelligence and Security)

Enclosure:
As stated

SECURITY COSTS ESTIMATES DISPLAY

NAME OF DEPARTMENT/AGENCY: Department of Defense

Reporting Categories	FY 2006
1. Personnel Security	857,000,000
2. Physical Security	788,000,000
3. Information Security	
(a.) Classification Management	238,000,000
(b.) Declassification	19,000,000
(c.) Information Systems Security for Classified Information	3,875,000,000
(d.) Miscellaneous (OPSEC & TSCM)	65,000,000
(e.) Information Security Sub-Total (Sum of 3.a., 3.b., 3.c., & 3.d.)	4,197,000,000
4. Professional Education, Training and Awareness	192,000,000
5. Security Management, Oversight and Planning	1,262,000,000
6. Unique Items	
Total: Fiscal year Estimates (Sum of 1, 2, 3(e.), 4, 5, & 6.)	7,296,000,000

NARRATIVE:

The above estimates are based on end-year personnel data for September of 2006 and the current FY 2008 President's Budget for the DoD. It is generally slightly above what was estimated last year, corresponding more closely to what was then projected for FY 2007.

In comparing the specific figures in the chart, two items under Information Security differ from what was projected. The Miscellaneous (3.d) figures appear significantly higher than last year because significant DoD TSCM resources were

included with the Information Systems Security, rather than being broken out into the Miscellaneous category in the previous (2006) estimate. These current Information Systems Security line is larger than previously expected, partly because of the TSCM, but mostly because of a $100 million increase in direct FYDP funding for this area, and a separate $200 million increase in funding support for personnel with expertise in system administration or other information system security skills.

Physical Security is higher than previously projected. There has been a general trend for some years now for increases in physical security guards. The increases for the war are generally not directly supporting the war in Iraq, but increased numbers of guards supporting information protection is the primary factor driving a $70 million increase.

Personnel Security is estimated at lower by about $90 million. The direct cause of this is reduced funding estimate, below the levels projected a year ago, for a single Air Force line for personnel security costs. It is also possible that discrepancies between budgeted funds and actual expenditures have made these resources difficult to estimate accurately.

INTELLIGENCE

RECEIVED
APR 2 2 2008
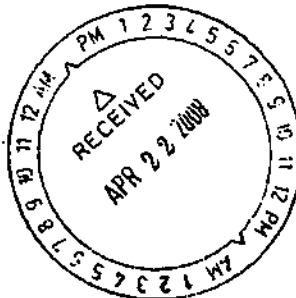
Mr. William J. Bosanko
Acting Director
Information Security Oversight Office
National Archives and Records Administration
700 Pennsylvania Avenue NW
Washington, DC 20408-0001

Dear Mr. Bosanko,

As requested by your letter of January 23, 2008, enclosed are the cost estimates for

security classification activities for the Department of Defense for Fiscal Year 2007.

Sincerely,

Troy L. Sullivan
Acting Deputy Under Secretary of Defense
(Counterintelligence and Security)

Enclosure:
As stated

SECURITY COSTS ESTIMATES DISPLAY

NAME OF DEPARTMENT: DEPARTMENT OF DEFENSE

Reporting Categories	Funding in $ FY 2007
1. Personnel Security	852,000,000
2. Physical Security	820,000,000
3. Information Security	
(a) Classification Management	243,000,000
(b) Declassification	20,000,000
(c) Information System Security	3,946,000,000
(d) Miscellaneous	67,000,000
(e) Information Security Sub-Total	4,276,000,000
4. Professional Education, Training and Awareness	166,000,000
5. Security Management, Oversight and Planning	1,214,000,000
Totals: Fiscal Year Estimates	~~7,327,000,000~~ 7,328,000,000

NARRATIVE

The above figures are approximately equal dollars to the estimates provided for FY 2006. As the normally accepted deflators for the past year indicate an inflation factor of roughly 2.6 percent, the dollars cited above represent a slight decrease from 2006 in real terms by a few percent.

It should be noted that, although new personnel data from the end of FY07 have been included in these updated estimates, the same budget source was used for both the above estimate and the estimate submitted last year for FY 2006. The current President's Budget for FY 2008 came out in March of 2007, and it remains the most up-to-date source for DoD budget information. The next President's Budget for 2009 is not now expected to be available for another month. However, much of the supplemental funding received by DoD during the past year should first appear in the prior year (FY 2007) entry in that budget. Thus, when the security resource estimates are updated with information from the FY09 President's budget, some changes (mostly increases) should be expected for FY 2007 security activities.

OFFICE OF THE UNDER SECRETARY OF DEFENSE
5000 DEFENSE PENTAGON
WASHINGTON, DC 20301-5000

INTELLIGENCE

FEB 2 7 2009

Mr. William J. Bosanko
Director
Information Security Oversight Office
National Archives and Records Administration
700 Pennsylvania Avenue NW
Washington, DC 20408-0001

Dear Mr. Bosanko:

As requested by your October 1, 2008 letter, enclosed are the Department of

Defense Fiscal Year 2008 cost estimates for security classification activities. My point of

contact is (b)(6)

Sincerely,

Laurence K. Burgess
Deputy Under Secretary of Defense
(HUMINT, Counterintelligence & Security)

Enclosure:
As stated

SECURITY COSTS ESTIMATES DISPLAY

NAME OF DEPARTMENT: DEPARTMENT OF DEFENSE

Reporting Categories	FY 2008
1. Personnel Security	858,000,000
2. Physical Security	861,000,000
3. Information Security	
(a) Classification Management	246,000,000
(b) Declassification	20,000,000
(c) Information System Security	4,065,000,000
(d) Miscellaneous	63,000,000
4. Professional Education, Training and Awareness	172,000,000
5. Security Management, Oversight and Planning	1,077,000,000
Totals: Fiscal Year Estimates	7,362,000,000

NARRATIVE

The above figures for FY 2008 are within one percent of the estimates provided last year for FY 2007. The individual items estimated above for FY 2008 are also within a few percent of what was estimated for FY 2007 with the exception of entry 5 for Security Management, Oversight and Planning. That estimate was roughly 10 percent lower than what was estimated in FY 2007. We note that the actual spending for FY 2007 was also lower than what was estimated last year, and the actual amount for Security Management in 2007 is very close to the estimate shown above for Security Management in FY 2008.

The Miscellaneous category under Information Security included technical surveillance countermeasures (TSCM) and operations security (OPSEC), as suggested by previous years ISOO instructions. The principal components of the update for this year include actual personnel data from a snapshot of the personnel status at the end of FY08, and the current President's Budget for FY 2009. Most of the current estimates above are drawn from those two sources.

OFFICE OF THE UNDER SECRETARY OF DEFENSE
5000 DEFENSE PENTAGON
WASHINGTON, DC 20301-5000

INTELLIGENCE

MAR 1 0 2010

Mr. William J. Bosanko
Director
Information Security Oversight Office
National Archives and Records Administration
700 Pennsylvania Avenue, NW
Washington, DC 20408-0001

Dear Mr. Bosanko:

As requested by your December 11, 2009, letter, the Department of Defense Fiscal

Year 2009 cost estimates for security classification activities are enclosed. My point of

contact is (b)(6)

Sincerely,

Laurence K. Burgess
Deputy Under Secretary of Defense
(HUMINT, Counterintelligence & Security)

Enclosure:
As stated

DOD COST ESTIMATES FOR SECURITY CLASSIFICATION ACTIVITIES FISCAL YEAR 2009

Reporting Categories	FY 2009
1. Personnel Security	$953,000,000
2. Physical Security	881,000,000
3. Information Security	
(a) Classification Management	270,000,000
(b) Declassification	21,000,000
(c) Information Systems Security	4,023,000,000
(d) Miscellaneous	66,000,000
4. Professional Education, Training and Awareness	182,000,000
5. Security Management, Oversight and Planning	1,192,000,000
Totals: Fiscal Year Estimates	$7,588,000,000

The figures above were developed using the same methodology as in previous reports. The main components of the update include data from a snapshot of personnel status at the end of FY 2009, and financial data from the 2010 President's budget. Personnel costs are based on data from DoD Comptroller FY 2009 Department of Defense Military Personnel Composite Standard Pay and Reimbursement Rates. The current estimate for fiscal year 2009 represents an increase over the resources for fiscal year 2008 by approximately 5 percent, both overall and in each of the categories above.

The estimate for personnel security is slightly higher (7 percent) than the overall 5 percent, but the overall amounts are very close to what was projected last year.

The estimate for Information Systems Security costs were in line with the overall 5 percent increase, but they were lower than last year's projections because of ongoing reviews of the underlying detail assumptions in the estimates. The current estimates may not properly reflect resources in the DoD Cyber Security Initiative. Although the name appears to imply significant information systems security content, managers in the Government Information Assurance Program have indicated that parts of the program should not be considered security resources. Discussions with that office could not be completed in time for this submission.

The Miscellaneous category under Information Security included technical surveillance countermeasures and operations security, as suggested by previous ISOO instructions.

Security management also increased by 5 percent over last year, but the overall level of resources are somewhat higher than was reported last year, because the function of security awareness is now included with security management.

OFFICE OF THE UNDER SECRETARY OF DEFENSE
5000 DEFENSE PENTAGON
WASHINGTON, DC 20301-5000

MAR 1 0 2011

Mr. William J. Bosanko
Director
Information Security Oversight Office
National Archives and Records Administration
700 Pennsylvania Avenue, NW
Washington, DC 20408-0001

Dear Mr. Bosanko:

In response to your December 21, 2010, letter, the Department of Defense fiscal year

2010 cost estimates for security classification activities are enclosed. My point of contact is

Ms. Carroll Lee at (703) 604-1143 or Carroll.Lee@osd.mil.

Sincerely,

Rebecca J. Allen
Acting Director of Security

Enclosure:
As stated

Security Cost Estimates for Security Classification Activities
Fiscal Year 2010

Name of Department: Department of Defense

Point of Contact: (b)(6)

Reporting Categories	FY 2010
1. Personnel Security	1,254,000,000
2. Physical Security	1,010,000,000
3. Information Security	
(a) Classification Management	273,000,000
(b) Declassification	21,000,000
(c) Information System Security	4,384,000,000
(d) Miscellaneous	66,000,000
4. Professional Education, Training and Awareness	349,000,000
5. Security Management, Oversight and Planning	1,431,000,000
Totals: Fiscal Year Estimates	8,788,000,000

Narrative

The above figures for fiscal year 2010 were developed using previously employed methodology and were updated from the previous year by adding the year-end (September 2010) personnel data for personnel with various security-related military or civilian occupational specialty codes, and by using the current 2011 President's Budget. Personnel costs are based on data from the DoD Comptroller Green Book for the FY 2011 budget. The current estimate for fiscal year 2010 represents a significant increase over the previously estimated resources for fiscal year 2009 by approximately $1.2 billion, or 15 percent.

The increase results from two changes: first, a new baseline for security estimates that raise overall estimates for the entire period, including FY08 through FY10, by about $1.05 billion; second, normal year-to-year increases of around $150 million from FY09 to FY10 along the new baseline. The new baseline resulted from four changes:

- The FY11 President's Budget introduced changes to what had previously been reflected in the FY10 President's Budget for fiscal year 2009. Specifically, the Cyber Security Initiative caused the FY09 resources to increase by $510 million for Information System Security.

- The calculation of civilian security specialist pay is now done in a manner that properly reflects actual personnel costs, whether or not the individuals are on the standard civilian GS pay scale. Previously, around 15 percent of the civilian security workforce had been underestimated by a total of approximately $300 million. This particularly affects the areas of Security Management and Professional Education, where civilian 080 security specialists dominate the costs.

- Personnel Security Investigation costs are now fully consistent with direct DoD tabulations of funds paid to the Office of Personnel Management for that purpose. Estimates for years FY08 through FY10 averaged around $220 million more than had been previously estimated.

- One additional change to the baseline resulted from identifying additional costs for security training and awareness that had been included with other security totals. This did not affect the overall total, but it increased the Professional Education total by around $50 million and similarly reduced costs for Personnel Security and Information System Security.

Personnel Security costs were higher than previously reported for FY09 because of the baseline changes, and between FY09 and FY10 costs increased by around $50 million. Of that, $38 million is from increased payments for security investigations, with the remainder resulting from increased numbers of civilian 080 security specialists supporting the clearance processing.

Physical Security costs increased above previous estimates by around $70 million in baseline civilian personnel cost changes. Approximately another $40 million reflects increased physical security in military construction, and a $10 million increase in program funding for antiterrorism and other physical security programs between FY09 and FY10.

For Information Security, the major changes are associated with Information System Security and increases in funding through the Cyber Security Initiative. A $100-million year-to-year decrease in this area from FY09 to FY10 was the result of reduced numbers of personnel supporting this function. The other components of Information Security (Classification Management, Declassification, and Miscellaneous) remained essentially unchanged from previous estimates.

Security Management and Professional Education increased mainly because of the baseline changes discussed above. Some additional year-to-year increase in both areas resulted from increases in the numbers of civilian 080 security specialists, who increased by nine percent between FY09 and FY10.
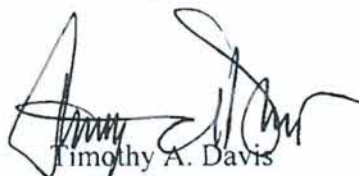
INTELLIGENCE

MAR 1 2 2012

Mr. John Fitzpatrick
Director
Information Security Oversight Office
National Archives and Records Administration
700 Pennsylvania Avenue, NW
Washington, DC 20408-0001

Dear Mr. Fitzpatrick:

As requested by your November 28, 2011 letter, the Department of Defense Fiscal Year

2011 cost estimates for security classification activities are enclosed. My point of contact is

(b)(6)

Sincerely,

Timothy A. Davis
Director of Security

Enclosure:
As stated

AGENCY SECURITY CLASSIFICATION COSTS ESTIMATES

Department/Agency: Department of Defense	Fiscal Year: 2011

Point of Contact:
(Name and phone number) (b)(6)

Reporting Categories

Please use actual dollar figures.

1. Personnel Security
(include clearance program, initial investigations, national agency checks when used as basis for granting a clearance, adjudication, reinvestigation, polygraph associated with classification-related activities)

$1,093,000,000.00

2. Physical Security
(include physical security equipment, protective forces, intrusion detection and assessment, barrier/controls, tamper-safe monitoring, access control/badging, visitor control associated with classification-related activities)

$1,363,000,000.00

3. Classification Management
(include resources used to identify, control, transfer, transmit, retrieve, inventory, archive, declassify, or destroy classified information)

$265,000,000.00

4. Declassification
(include resources used to identify and process information subject to the automatic, systematic, discretionary, or mandatory review programs authorized by Executive Order or Statute)

$22,000,000.00

5. Protection and Maintenance for Classified Information Systems
(include resources used to protect and maintain classified information systems from unauthorized access or modification of information, and against the denial of service to authorized users, including measures necessary to detect, document, and counter such threats)

$5,385,000,000.00

6. Operations Security and Technical Surveillance Countermeasures
(include personnel and operating expenses associated with OPSEC and TSCM)

$72,000,000.00

7. Professional Education, Training, and Awareness
(include resources used to establish, maintain, direct, support, and assess an information security training and awareness program; certification and approval of the training program; development, management, and maintenance of training records; training of personnel to perform tasks; and qualification and/or certification of personnel associated with classification-related activities)

$440,000,000.00

8. Security Management, Oversight, and Planning
(include resources associated with research, test, and evaluation; surveys, reviews, accreditation, and assessments; special access programs; security and investigative matters; industrial security; and foreign ownership, control, or influence (FOCI))

$1,421,000,000.00

9. Unique Items
(include department/agency-specific activities not reported in any of the categories listed above, but are nonetheless significant and need to be included)

$0.00

TOTAL
(sum of items 1-9)

$10,061,000,000.00

Narrative: *Provide a brief explanation of any significant difference between last year's and this year's cost estimates. Explain items entered into block 9, Unique Items.*

Please see attached.

Narrative for DoD FY 2011 A11 Report

The above figures for FY 2011 were developed using previously employed methodology and were updated from the previous year by adding the year-end (September 2011) personnel data for personnel with various security-related military or civilian occupational specialty codes, and by using the 2012 President's Budget (released in approximately March 2011). Personnel costs are based on data from DoD Comptroller Green Book for the FY 2012 budget. However, during the summer of 2011 the framework for analyzing DoD information system security costs was substantially revised to provide greater insight into those costs. Because of the way the questions are worded, these information system security changes also affect security management and professional education. The most notable change for this report from the revision was to add approximately $1 billion in greater costs associated with information system security embedded in programs in the DoD information technology budget.

If we consider annual changes using the current framework consistently for both FY 2010 and FY 2011, we find that the numbers of personnel work years associated with security increased by 3.2 percent, and the funding associated with the efforts cited increased by 2.3 percent. The funding for most of the sub-items listed in the report also generally increased from zero to eight percent. There were two categories that did not follow this pattern.

The first was physical security, which increased by 17 percent in funding between FY 2010 and FY 2011. This was due to a nearly 20 percent increase across security forces, security equipment, and MILCON for physical security. Although reductions in these forces are anticipated, reductions were not apparent in the September 2011 year-end personnel data from the Defense Manpower Data Center.

The second was a four percent decrease in the protection and maintenance for classified information systems, which was previously reported as information system security. For this activity, most of the sub items increased slightly as did other security costs. The decrease was mainly caused by a $500 million decrease associated with information system security embedded in information technology programs because of a substantial decrease of the DoD information technology budget in FY 2011.
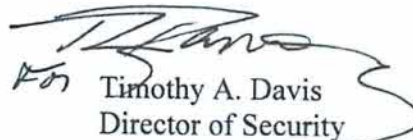
INTELLIGENCE

John P. Fitzpatrick
Director
Information Security Oversight Office
National Archives and Records Administration
700 Pennsylvania Avenue, NW
Washington, DC 20408-0001

Dear Mr. Fitzpatrick:

In response to your November 14, 2012, letter, the Department of Defense fiscal year

2012 cost estimates for security classification activities are enclosed. My point of contact is Mr.

(b)(6)

Sincerely,

For   Timothy A. Davis
Director of Security

Enclosure:
As stated

AGENCY SECURITY CLASSIFICATION COSTS ESTIMATES

Department/Agency: Department of Defense	**Fiscal Year:** 2012

Point of Contact:
(Name and phone number (b)(6)

Reporting Categories

Please use actual dollar figures.

1. Personnel Security
(include clearance program, initial investigations, national agency checks when used as basis for granting a clearance, adjudication, reinvestigation, polygraph associated with classification-related activities)

$1,087,000,000.00

2. Physical Security
(include physical security equipment, protective forces, intrusion detection and assessment, barrier/controls, tamper-safe monitoring, access control/badging, visitor control associated with classification-related activities)

$1,270,000,000.00

3. Classification Management
(include resources used to identify, control, transfer, transmit, retrieve, inventory, archive, declassify, or destroy classified information)

$241,000,000.00

4. Declassification
(include resources used to identify and process information subject to the automatic, systematic, discretionary, or mandatory review programs authorized by Executive Order or Statute)

$20,000,000.00

5. Protection and Maintenance for Classified Information Systems
(include resources used to protect and maintain classified information systems from unauthorized access or modification of information, and against the denial of service to authorized users, including measures necessary to detect, document, and counter such threats)

$3,759,000,000.00

6. Operations Security and Technical Surveillance Countermeasures
(include personnel and operating expenses associated with OPSEC and TSCM)

$72,000,000.00

7. Professional Education, Training, and Awareness
(include resources used to establish, maintain, direct, support, and assess an information security training and awareness program; certification and approval of the training program; development, management, and maintenance of training records; training of personnel to perform tasks; and qualification and/or certification of personnel associated with classification-related activities)

$372,000,000.00

8. Security Management, Oversight, and Planning
(include resources associated with research, test, and evaluation; surveys, reviews, accreditation, and assessments; special access programs; security and investigative matters; industrial security; and foreign ownership, control, or influence (FOCI))

$1,610,000,000.00

9. Unique Items
(include department/agency-specific activities not reported in any of the categories listed above, but are nonetheless significant and need to be included)

$0.00

TOTAL
(sum of items 1-9)

$8,431,000,000.00

Narrative: *Provide a brief explanation of any significant difference between last year's and this year's cost estimates. Explain items entered into block 9, Unique Items.*

Please see attached.

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32 CFR Part 2001.90 E.O. 13526

Narrative for DoD FY 2012 Cost Estimates for Security Classification Activities

In compiling the SF716 report in FY 2011, DoD staff made a determination not to include an amount of $882 million in Information Systems Security costs that were embedded in new Information Technology Developments. These were estimated as a small fraction of the DoD information technology budget. However this amount was erroneously included in the figures reported in March of 2012. The amount for Protection and Maintenance of Classified Information Systems, then reported as $5,385 million, should have been reported as $4,503 million. The total, then reported as $10,062 million, would correspondingly be reduced to $9,180 million.

The Standard Form 716 report for FY 2012 was calculated using a previously employed methodology. They were updated from the figures of the previous year by adding the year-end (September 2012) personnel data for personnel with various security-related military or civilian occupational specialty codes, and by using the 2013 President's Budget (released in approximately March 2012). Personnel costs are based on data from the DoD Comptroller Green Book and from the Office of Management and Budget for the FY 2013 budget.

Within the budgetary displays produced by OMB we discovered a pay scale for civilians, based on GS grade, that reflected a more appropriate distribution across the US and globally than what had been used previously; correcting the data to reflect that distribution resulted in a decrease in overall costs by about seven percent for FY 2011 (and other previous years) below what was reported in last year's security resource display. The numbers in the current display most affected by this revision are the Physical Security costs and the Protection and Maintenance of Information Systems. This is the main factor causing the reduction over last year's report; the total number of personnel associated with the security functions in this display remains essentially the same in FY 2012 as it was in FY 2011.

As in previous years, it is not currently feasible to separate costs for the protection of classified information systems from costs for the protection of unclassified information systems, so the total amount for both is reported.
Four functions remain essentially the same as projected last year: Personnel Security, Declassification, Classification Management, and Operations Security/Technical Surveillance Countermeasures.

The function of Security Management has shown a significant increase by about $100 million between FY 2011 and FY 2012. These annual trends (an increase of roughly $100 million per year in funding and an increase of 300 man years per year) have been consistently observed since FY 2009.

MAR 1 8 2014

INTELLIGENCE

John P. Fitzpatrick
Director
Information Security Oversight Office
National Archives and Records Administration
700 Pennsylvania Avenue, NW
Washington, DC 20408-0001

Dear Mr Fitzpatrick:

In response to your November 18, 2013 letter, the Department of Defense fiscal year

2013 cost estimates for security classification activities are enclosed. My point of contact is

(b)(6)

Sincerely,

Timothy A. Davis
Director, Security Policy and Oversight

Enclosure:
As stated

AGENCY SECURITY CLASSIFICATION COSTS ESTIMATES

Department/Agency: Department of Defense	**Fiscal Year:** 2013

Point of Contact: (b)(6)
(Name and phone number)

Reporting Categories

Please use actual dollar figures.

1. Personnel Security
(include clearance program, initial investigations, national agency checks when used as basis for granting a clearance, adjudication, reinvestigation, polygraph associated with classification-related activities)

$1,006,000,000.00

2. Physical Security
(include physical security equipment, protective forces, intrusion detection and assessment, barrier/controls, tamper-safe monitoring, access control/badging, visitor control associated with classification-related activities)

$1,373,000,000.00

3. Classification Management
(include resources used to identify, control, transfer, transmit, retrieve, inventory, archive, declassify, or destroy classified information)

$243,000,000.00

4. Declassification
(include resources used to identify and process information subject to the automatic, systematic, discretionary, or mandatory review programs authorized by Executive Order or Statute)

$19,000,000.00

5. Protection and Maintenance for Classified Information Systems
(include resources used to protect and maintain classified information systems from unauthorized access or modification of information, and against the denial of service to authorized users, including measures necessary to detect, document, and counter such threats)

$3,425,000,000.00

6. Operations Security and Technical Surveillance Countermeasures
(include personnel and operating expenses associated with OPSEC and TSCM)

$66,000,000.00

7. Professional Education, Training, and Awareness
(include resources used to establish, maintain, direct, support, and assess an information security training and awareness program; certification and approval of the training program; development, management, and maintenance of training records; training of personnel to perform tasks; and qualification and/or certification of personnel associated with classification-related activities)

$496,000,000.00

8. Security Management, Oversight, and Planning
(include resources associated with research, test, and evaluation; surveys, reviews, accreditation, and assessments; special access programs; security and investigative matters; industrial security; and foreign ownership, control, or influence (FOCI))

$1,795,000,000.00

9. Unique Items
(include department/agency-specific activities not reported in any of the categories listed above, but are nonetheless significant and need to be included)

$0.00

TOTAL
(sum of items 1-9)

$8,423,000,000.00

Narrative: *Provide a brief explanation of any significant difference between last year's and this year's cost estimates. Explain items entered into block 9, Unique Items.*
The above figures for FY 2013 were calculated using a previously employed methodology. They were updated from the figures of the previous year by adding the year-end (September 2013) personnel data for personnel with various security-related military or civilian occupational specialty codes, and by using the 2014 President's Budget (released in approximately March 2013). Personnel costs are based on data from the DoD Comptroller Green Book and from the Office of Management and Budget for the FY 2014 budget.

F 3 MAR 2015

INTELLIGENCE

John P. Fitzpatrick
Director
Information Security Oversight Office
National Archives and Records Administration
700 Pennsylvania Avenue. NW
Washington, DC 20408-0001

Dear Mr Fitzpatrick: *John*

In response to your December 1. 2014. letter. the Department of Defense fiscal year

2014 cost estimates for security classification activities are enclosed. My point of contact is

(b)(6)

Sincerely.

Timothy A. Davis
Director. Security Policy and Oversight

Enclosure
As stated

TAB A

AGENCY SECURITY CLASSIFICATION COSTS ESTIMATES

Department/Agency: Department of Defense	**Fiscal Year:** 2014

Point of Contact: (b)(6)
(Name and phone number)

Reporting Categories

Please use actual dollar figures.

1. Personnel Security
(include clearance program, initial investigations, national agency checks when used as basis for granting a clearance, adjudication, reinvestigation, polygraph associated with classification-related activities)

$935,000,000.00

2. Physical Security
(include physical security equipment, protective forces, intrusion detection and assessment, barrier/controls, tamper-safe monitoring, access control/badging, visitor control associated with classification-related activities)

$1,257,000,000.00

3. Classification Management
(include resources used to identify, control, transfer, transmit, retrieve, inventory, archive, declassify, or destroy classified information)

$263,000,000.00

4. Declassification
(include resources used to identify and process information subject to the automatic, systematic, discretionary, or mandatory review programs authorized by Executive Order or Statute)

$21,000,000.00

5. Protection and Maintenance for Classified Information Systems
(include resources used to protect and maintain classified information systems from unauthorized access or modification of information, and against the denial of service to authorized users, including measures necessary to detect, document, and counter such threats)

$6,637,000,000.00

6. Operations Security and Technical Surveillance Countermeasures
(include personnel and operating expenses associated with OPSEC and TSCM)

$67,000,000.00

7. Professional Education, Training, and Awareness
(include resources used to establish, maintain, direct, support, and assess an information security training and awareness program; certification and approval of the training program; development, management, and maintenance of training records; training of personnel to perform tasks; and qualification and/or certification of personnel associated with classification-related activities)

$529,000,000.00

8. Security Management, Oversight, and Planning
(include resources associated with research, test, and evaluation; surveys, reviews, accreditation, and assessments; special access programs; security and investigative matters; industrial security; and foreign ownership, control, or influence (FOCI))

$1,999,000,000.00

9. Unique Items
(include department/agency-specific activities not reported in any of the categories listed above, but are nonetheless significant and need to be included)

$0.00

TOTAL
(sum of items 1-9)

$11,708,000,000.00

Narrative: *Provide a brief explanation of any significant difference between last year's and this year's cost estimates. Explain items entered into block 9, Unique Items.*

The above figures for FY 2014 were calculated using the previously employed methodology. They were updated from the figures of the previous year by adding the year-end (September 2014) data for personnel with various security-related military or civilian occupational specialty codes, and by using the 2015 President's Budget (released in approximately March 2014). Personnel costs are based on data from the DoD Comptroller Green Book and from the Office of Management and Budget for the FY 2015

Narrative for the SF716 ISOO Security Resources Display for DoD, 2014

The above figures for FY 2014 were calculated using the previously employed methodology. They were updated from the figures of the previous year by adding the year-end (September 2014) data for personnel with various security-related military or civilian occupational specialty codes, and by using the 2015 President's Budget (released in approximately March 2014). Personnel costs are based on data from the DoD Comptroller Green Book and from the Office of Management and Budget for the FY 2015 budget. The dollar figures are in so-called "then-year" dollars and have no adjustment for inflation.

Seven of the eight categories of spending were consistent with projections from last year, agreeing within two percent of the total funding reported. These were all of the categories with the exception of the Protection and Maintenance of Information Systems. Within the group, individual categories were consistent between FY 2013 and 2014 to within about ten percent, but small increases in security management were balanced by small decreases in physical security and personnel security, leaving the totals nearly unchanged.

There were, however, substantial changes –almost doubling – of the funding for the Protection and Maintenance of Information Systems. The increase in cyber security spending was a well-publicized policy of the DoD, and the differences between what was reported this year and last year arise for several reasons. First, the scope of reporting for this type of security resource, as reported in the Congressional Budget Justification Book (CBJB) for the Defense Information Assurance Program (GIAP), reflected funds in a larger number of program element lines than had previously been considered. In past years the total security funding in this document was close (within about 10 or 15 percent) to the funding in approximately 25 program element lines that are readily identifiable with this type of security (e.g., the "DoD Cyber Security Initiative"). This year the total reported for FY 2015 was over forty percent larger than the funds in that same group of program elements. This was possible because the Services reported their security-related spending from a greater number of program element sources. This affords better insight into current spending than has been available previously, but in future years it may introduce some inconsistency in reporting if the Services do not continue to report on a stable baseline at the same level of detail that they reported this year.
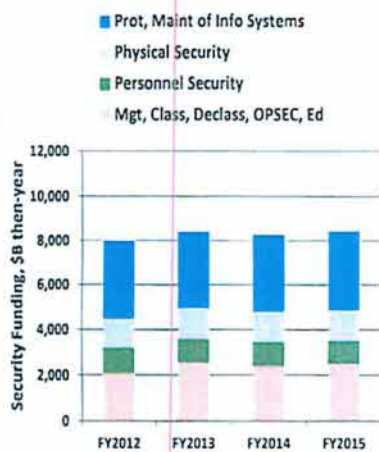
In addition to the change in reporting, within the consistent reporting base of the FY 2015 GIAP, the record shows a sharp increase in spending in this area between FY 2012 and FY 2014. Whereas the previous reporting sources had shown level funding for the Protection and Maintenance of Information Systems between FY 2012 and FY 2015, the current source shows year-to-year increases of approximately 30 percent between FY 2012 and 2013, and between 2013 and 2014. The combination of the increased scope of reporting and the two annual 30 percent increases explains the nearly doubling of the funding for the Protection and Maintenance of Information Systems. These increases are currently planned to reduce to normal levels of variation between FY 2014 and 2015.

Analyses of ISOO-A11 Resources

IDA

FY 2014 Resource Analysis

- Prot, Maint of Info Systems
- Physical Security
- Personnel Security
- Mgt, Class, Declass, OPSEC, Ed

FY 2015 Resource Analysis
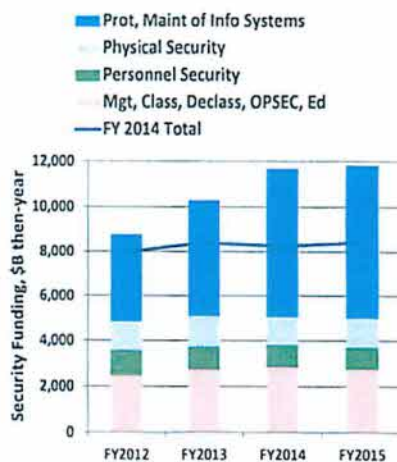
- Prot, Maint of Info Systems
- Physical Security
- Personnel Security
- Mgt, Class, Declass, OPSEC, Ed
- —FY 2014 Total

AGENCY SECURITY CLASSIFICATION COSTS ESTIMATES

Department/Agency: Department of Defense	**Fiscal Year:** 2015

Point of Contact: (b)(6)
(Name and phone number

Reporting Categories

Please use actual dollar figures.

1. Personnel Security
(include clearance program, initial investigations, national agency checks when used as basis for granting a clearance, adjudication, reinvestigation, polygraph associated with classification-related activities)

$1,350,000,000.00

2. Physical Security
(include physical security equipment, protective forces, intrusion detection and assessment, barrier/controls, tamper-safe monitoring, access control/badging, visitor control associated with classification-related activities)

$1,357,000,000.00

3. Classification Management
(include resources used to identify, control, transfer, transmit, retrieve, inventory, archive, declassify, or destroy classified information)

$269,000,000.00

4. Declassification
(include resources used to identify and process information subject to the automatic, systematic, discretionary, or mandatory review programs authorized by Executive Order or Statute)

$21,000,000.00

5. Protection and Maintenance for Classified Information Systems
(include resources used to protect and maintain classified information systems from unauthorized access or modification of information, and against the denial of service to authorized users, including measures necessary to detect, document, and counter such threats)

$6,929,000,000.00

6. Operations Security and Technical Surveillance Countermeasures
(include personnel and operating expenses associated with OPSEC and TSCM)

$73,000,000.00

7. Professional Education, Training, and Awareness
(include resources used to establish, maintain, direct, support, and assess an information security training and awareness program; certification and approval of the training program; development, management, and maintenance of training records; training of personnel to perform tasks; and qualification and/or certification of personnel associated with classification-related activities)

$573,000,000.00

8. Security Management, Oversight, and Planning
(include resources associated with research, test, and evaluation; surveys, reviews, accreditation, and assessments; special access programs; security and investigative matters; industrial security; and foreign ownership, control, or influence (FOCI))

$2,069,000,000.00

9. Unique Items
(include department/agency-specific activities not reported in any of the categories listed above, but are nonetheless significant and need to be included)

$0.00

TOTAL
(sum of items 1-9)

$12,641,000,000.00

Narrative: *Provide a brief explanation of any significant difference between last year's and this year's cost estimates. Explain items entered into block 9, Unique Items.*

Narrative for the SF716 ISOO Security Resources Display for DoD, 2015

The above figures for FY 2015 were calculated using the previously employed methodology. They were updated from the figures of the previous year by including the year-end (September 2015) data for personnel with various security-related military or civilian occupational specialty codes, and by using the 2016 President's Budget (released in approximately March 2015). Personnel costs are based on data

AGENCY SECURITY CLASSIFICATION COSTS ESTIMATES

Department/Agency: Department of Defense	**Fiscal Year:** 2016

Point of Contact: (b)(6)
(Name and phone number)

Reporting Categories

Please use actual dollar figures.

1. Personnel Security
(include clearance program, initial investigations, national agency checks when used as basis for granting a clearance, adjudication, reinvestigation, polygraph associated with classification-related activities)

$1,648,000,000.00

2. Physical Security
(include physical security equipment, protective forces, intrusion detection and assessment, barrier/controls, tamper-safe monitoring, access control/badging, visitor control associated with classification-related activities)

$1,312,000,000.00

3. Classification Management
(include resources used to identify, control, transfer, transmit, retrieve, inventory, archive, declassify, or destroy classified information)

$267,000,000.00

4. Declassification
(include resources used to identify and process information subject to the automatic, systematic, discretionary, or mandatory review programs authorized by Executive Order or Statute)

$23,000,000.00

5. Protection and Maintenance for Classified Information Systems
(include resources used to protect and maintain classified information systems from unauthorized access or modification of information, and against the denial of service to authorized users, including measures necessary to detect, document, and counter such threats)

$5,093,000,000.00

6. Operations Security and Technical Surveillance Countermeasures
(include personnel and operating expenses associated with OPSEC and TSCM)

$73,000,000.00

7. Professional Education, Training, and Awareness
(include resources used to establish, maintain, direct, support, and assess an information security training and awareness program; certification and approval of the training program; development, management, and maintenance of training records; training of personnel to perform tasks; and qualification and/or certification of personnel associated with classification-related activities)

$623,000,000.00

8. Security Management, Oversight, and Planning
(include resources associated with research, test, and evaluation; surveys, reviews, accreditation, and assessments; special access programs; security and investigative matters; industrial security; and foreign ownership, control, or influence (FOCI))

$3,833,000,000.00

9. Unique Items
(include department/agency-specific activities not reported in any of the categories listed above, but are nonetheless significant and need to be included)

$0.00

TOTAL
(sum of items 1-9)

$12,872,000,000.00

Narrative: *Provide a brief explanation of any significant difference between last year's and this year's cost estimates. Explain items entered into block 9, Unique Items.*

The above figures for FY 2016 were calculated using our previously employed methodology. They were updated from figures of the previous year by including the year-end (September 2016) data for personnel with various security-related military or civilian occupational specialty codes and by using the 2017 President's Budget. Personnel costs are based on data from the DoD Comptroller Green Book and from the Office of Management and Budget for the FY 2016 budget year. The dollar figures are in "then-year"

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Narrative for the SF716 ISOO Security Resources Display for DoD, 2016

The above figures for FY 2016 were calculated using our previously employed methodology. They were updated from figures of the previous year by including the year-end (September 2016) data for personnel with various security-related military or civilian occupational specialty codes and by using the 2017 President's Budget. Personnel costs are based on data from the DoD Comptroller Green Book and from the Office of Management and Budget for the FY 2016 budget year. The dollar figures are in "then-year" dollars and do not include an adjustment for inflation.
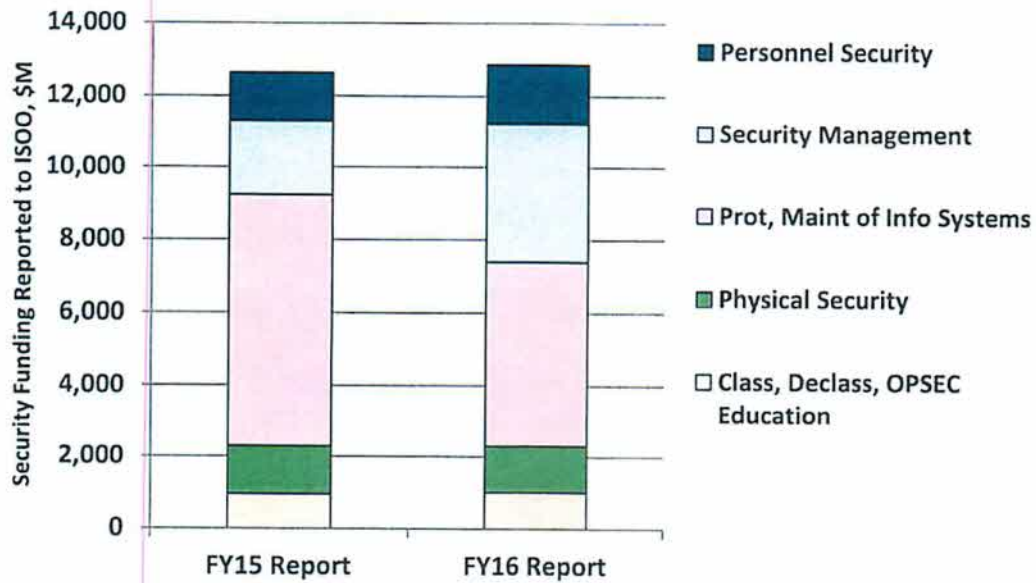
Most of the eight spending categories were consistent with projections from last year, in most cases agreeing within a few percentage points of previously reported funding. This year the total security resources reported amounted to $12,872 million, up $230 million from the total reported last year. Over the past several years, the reported security spending in these reports has increased by approximately 5 percent per year. This increase is above the general rate of inflation and generally reflects efforts by DoD to improve capability in the area of information system security.

Much of the net increase was associated with Personnel Security and specifically with its component reflecting the costs of Personnel Security investigations. The DUSD(I) Director Security has been monitoring these tractions in detail since approximately 2008. Late FY 2015 showed a substantial increase over previous costs in order to mitigate the effect of the well-publicized OPM data compromise late that year of investigative reports for many millions of DoD personnel over the past 15 years. These increased investigation costs persisted into 2016 and account for most of the increased costs in Personnel Security.

The other notable change in the security resource reporting for this year, when compared to last year's projections, is an apparent shift in funding from line 5, Protection and Maintenance of Information Systems with a $1,800 million decrease to line 8, Security Management (about a $1,800 million increase). Total funding for both lines together remained relatively constant between 2015 and 2016. We analyzed which specific entries caused the difference. All of the differences consisted of changes to Information System Security program element lines included in the Government Information Assurance Program between the President's Budget for 2016 released in March of 2015 and Presidents Budget for 2017 released in March 2016. Changes in spending priorities were documented in the *Congressional Budget Justification Books for the Government Information Assurance Program* for the two budget years.

Specific changes were increased spending for Management Headquarters in Cyber Command and its Service components (increase of $1,200 million), increased spending for general Cyber Management functions ($300 million) and increased spending for Information Assurance Readiness and Red Team Testing ($300 million). All of these funds had been reported in last year's report, but because the spending justification descriptions in 2015 had been less specific to Management, Management Headquarters, or cyber testing, they were reported in line 5 – Protection and Maintenance of Information Systems. Setting up and managing working cyber defense teams was a well-known and clearly stated objective for DoD in the 2017 President's Budget, and the reported shifts in security resources are consistent with those priorities.

Security Funding Reported to ISOO

Chart: Security Funding Reported to ISOO, $M. Stacked bar chart comparing FY15 Report and FY16 Report.

Legend:
- Personnel Security
- Security Management
- Prot, Maint of Info Systems
- Physical Security
- Class, Declass, OPSEC Education

Y-axis (Security Funding Reported to ISOO, $M): 0, 2,000, 4,000, 6,000, 8,000, 10,000, 12,000, 14,000

X-axis: FY15 Report, FY16 Report

AGENCY SECURITY CLASSIFICATION COSTS ESTIMATES

Department/Agency: Department of Defense	**Fiscal Year:** 2017

Point of Contact: (b)(6)
(Name and phone number)

Reporting Categories

Please use actual dollar figures.

1. Personnel Security
(include clearance program, initial investigations, national agency checks when used as basis for granting a clearance, adjudication, reinvestigation, polygraph associated with classification-related activities)

$1,404,000,000.00

2. Physical Security
(include physical security equipment, protective forces, intrusion detection and assessment, barrier/controls, tamper-safe monitoring, access control/badging, visitor control associated with classification-related activities)

$1,410,000,000.00

3. Classification Management
(include resources used to identify, control, transfer, transmit, retrieve, inventory, archive, declassify, or destroy classified information)

$269,000,000.00

4. Declassification
(include resources used to identify and process information subject to the automatic, systematic, discretionary, or mandatory review programs authorized by Executive Order or Statute)

$22,000,000.00

5. Protection and Maintenance for Classified Information Systems
(include resources used to protect and maintain classified information systems from unauthorized access or modification of information, and against the denial of service to authorized users, including measures necessary to detect, document, and counter such threats)

$5,646,000,000.00

6. Operations Security and Technical Surveillance Countermeasures
(include personnel and operating expenses associated with OPSEC and TSCM)

$76,000,000.00

7. Professional Education, Training, and Awareness
(include resources used to establish, maintain, direct, support, and assess an information security training and awareness program; certification and approval of the training program; development, management, and maintenance of training records; training of personnel to perform tasks; and qualification and/or certification of personnel associated with classification-related activities)

$725,000,000.00

8. Security Management, Oversight, and Planning
(include resources associated with research, test, and evaluation; surveys, reviews, accreditation, and assessments; special access programs; security and investigative matters; industrial security; and foreign ownership, control, or influence (FOCI))

$5,038,000,000.00

9. Unique Items
(include department/agency-specific activities not reported in any of the categories listed above, but are nonetheless significant and need to be included)

TOTAL
(sum of items 1-9)

$14,590,000,000.00

Narrative: *.Provide a brief explanation of any significant difference between last year's and this year's cost estimates. Explain items entered into block 9, Unique Items.*

The above figures for FY 2017 were calculated using our previously employed methodology. They were updated from figures of the previous year by including the year-end (September 2017) data for personnel with various security-related military or civilian occupational specialty codes and by using the 2018 President's Budget. Personnel costs are based on data from the DoD Comptroller Green Book and from the Office of Management and Budget for the FY 2017 budget year. The dollar figures are in "then-year"